Demographic Characteristics as Antecedents for Propensity to Stay Among Employees of Rosemarry Contracting Company in the Kingdom of Bahrain

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ABSTRACT

This study aimed to investigate if socio-demographic profile can significantly predict employee's intention to stay in Rosemarry Contracting Company in the Kingdom of Bahrain. While several factors have been associated to employee retention, very little attention is channeled to the investigation on the role of socio-demographic characteristics to employee retention. This made the researcher decide to explore the construct under consideration. The research utilized a descriptive research design involving 162 randomly selected respondents were included in the study. An adopted questionnaire was utilized as data gathering tool. The results of the study found that among all socio-demographic profile tested, only gender, marital status, and educational qualification were found significant in predicting propensity to stay. Income and years of service were not found to be statistically significant antecedents of propensity to stay.

Keywords-- Socio-Demographic Profile, Propensity to Stay, Retention, Recruitment

I. INTRODUCTION

RoseMarry Contracting Company started its humble beginning by Mr. Hussain Tawfiq in the year 1997 and within a span of 20 years it has emerged as one of the credible and credulous groups dealing in all kind of services for maintenance and construction.

The vision of the company is "to be recognized as a leading contracting company in Bahrain through their services as per customer satisfaction." This is clearly translated in their mission statement which is "to position our presence in close proximity to our Customers and provide superior service at competitive prices by continuously investing in our innovative methods".

To achieve such mission, the company considers its employees at the heart of its operations. The company has a large focus on training and development to assure that its employees are competent in their respective roles in order to deliver the best quality of customer service. The caveat to this however, is the need to make sure that they do not only provide the proper training but also provide more reasons for these employees to stay as training new employees would be too costly. As Walker (2001) noted, employee retention is an important factor for all companies, especially the small businesses in the course of their operations, since attracting and retaining employees while providing adequate training to them are the critical success determinants for modern day organizations. Essentially, more organizations are now realizing that retention is a strategic issue and represents a competitive advantage.

While several factors have been associated to employee retention, very little attention is channeled to the investigation on the role of socio-demographic characteristics (age, gender, marital status, qualification, income, and years of service) to employee retention (Ahuja et al, 2007). In fact, Akova, Cetin, and Cifci, (2015), observed that these few studies about the relation of socio demographic profile and employee turnover do not usually come into consensus. For example, Monks (2012) observed that several studies have considered age as a factor in turn over however found significant evidence to disagree on such observation. Moreover, Gibson and Sodeman (2014) found that age is a factor in determining employee's intention to stay in the organization while Lopina and others (2012) found none of such relationship exists.

The mentioned importance of the study and the varying results thereof motivated the researcher to conduct further study of the said construction company. The understanding of how socio-demographic profiles tie in with the propensity to Stay is going to be greatly beneficial. Thus, the purpose of the study is to investigate how socio-demographic profile of employees predicts employee intention to stay in RoseMarry Contracting Company. The results of the study will serve value not only to the organization under-study but also other organization not only in retaining employees but also in recruitment programs that these organization would implement.

II. THEORETICAL FRAMEWORK

To better understand the underlying assumptions of the study, the human capital theory was explored as the anchoring framework of analysis. The theory was formally introduced by Becker (1962) but was reintroduced by contemporary management thinkers to date.

Ng and Feldman (2010) explains that the human capital theory proposes that the knowledge and skills of the individual that he or she accumulates throughout his or her lifetime is a substantial source of income. This accumulation, also leads to observable differences in productivity and employee behavior.

Education and training for example, accumulates as the individual journeys to his/her career. This leads to the assumption that different people accumulate skills and abilities from training and education thus should commensurate the equivalent yet differing salary or compensation. Since education and other socio-demographic characteristics are basic varying points of human capital, these factors may have varied effects of an individual's intention to stay or leave the organization (Wright et al., 2014).

In fact, Hokanson and others (2011) noted that employee's age and length of stay has tremendous implications on an individual's decision to stay or leave an organization. Individuals who have more experience and are older tend to have more opportunities outside and thus weighs turnover intentions differently compared to younger workers who are usually characterized with low level of skills.

Finally, Botsford-Morgan and King (2012) noted that gender can also affect an individual's propensity to stay or leave the organization. This is primarily

explained by the personality differences of men and women and the different roles they play in the household. For example, mothers whose psychological contract is mostly tied with taking care of infants and the family may have different perspective of staying or leaving the organization.
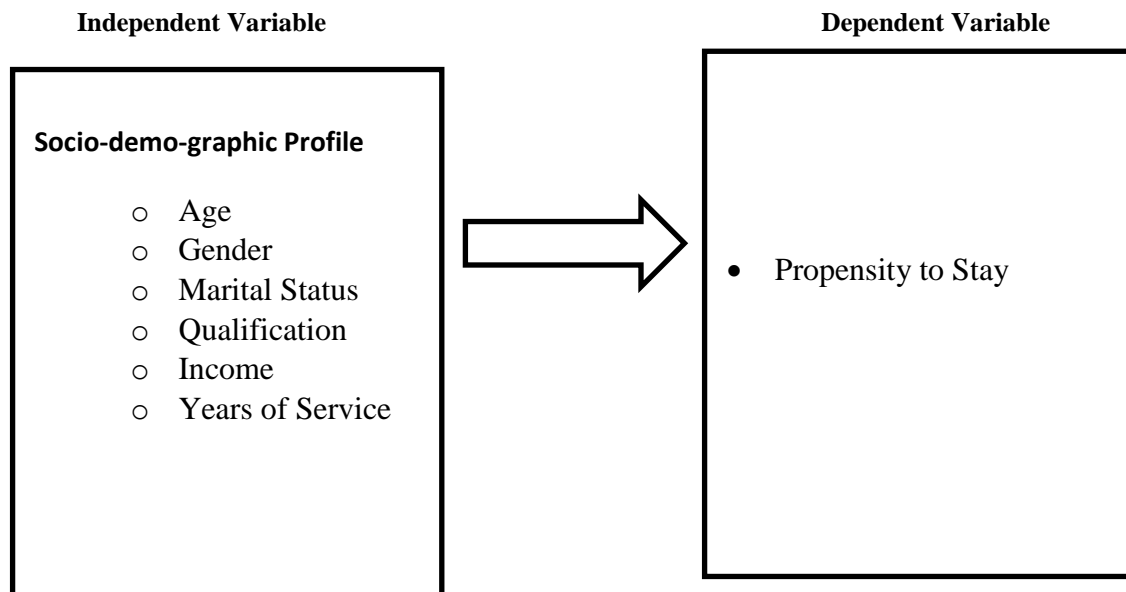
Independent Variable
Dependent Variable

Figure 1.2: Conceptual Framework

III. METHODOLOGY

The chapter presents the research design, research locale, respondents, sampling design, research instrument, data gathering procedure, scoring procedure and statistical treatment.

The study utilized a descriptive research design which utilizes primary data through survey questionnaire to evaluate how socio-demographic profile may affect an individual's intention to stay in the organization. Descriptive research design will be used since the study aims to describe the possible effect of the identified socio-demographic profile with propensity to stay.

The respondents were the employees of RoseMarry Contracting Company. The total staff number of RoseMarry Contracting Company is 400. Managerial staff are 50, 10 supervisors, 340 rank in file employees. 162 were respondents of the study.

Each item in the questionnaire was followed by possible responses. Corresponding to each possible response were four scales corresponding to the respondents level of agreement in all statements representing the

identified variables of the study. Sociodemographic once filled out by participants, will be tallied and sorted and their responses was organized into participants that have similar sociodemographic profiles and how similar their responses are.

The researcher used an adopted questionnaire by Moses Segbenya (2014) in his study, "The Effects of Demographic Variables on Employees' Decisions to Stay or Quit". Which was modified to suit this study of Propensity to Stay in RoseMarry Contracting Company. The questionnaire was chosen considering the similar nature of the locale understudy. The questionnaire is composed of two parts. The first part is a multiple-choice item covering the socio-demographic profile of the

respondents in terms of gender, age, marital status, qualification, income and years of service. The second part covers 10 indicators for the measurement for propensity to stay all in 5-point Likert Scale. Items 1 to 5 are negatively stated and will be scored in reverse. This is done to improve the questionnaire's resilience for response bias.

IV. RESULTS

The research primarily aims to investigate the extent to which sociodemographic characteristics affect propensity to stay in the RoseMarry Construction Company.

Table 4.3
Analysis of Variance in terms of Age

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.476	4	.369	1.997	.098*
Within Groups	29.009	157	.185		
Total	30.485	161			

*significant at 0.1 level

Table 4.3 exhibits the Analysis of Variance to check if socio-demographic profile, specifically age, can predict employees propensity to stay. As what can be seen from the table, the computed F value (1.997) is significant at 0.10 level ($p = 0.098$). Thus, there is enough evidence to reject the null hypothesis. Age significantly predicts propensity to stay. Age causes a variation in the level of willingness to stay or leave among the employees of Rose Mary Contracting.Table 4.3

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Table 4.4
Post Hoc Test - Least Significant Difference

(I) Age	(J) Age	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
<20	20-30	-.0667	.1282	.604	-.320	.186
	31-40	-.0548	.1278	.669	-.307	.198
	41-50	-.2510	.1367	.068	-.521	.019
	>50	.0578	.1384	.677	-.216	.331
20-30	<20	.0667	.1282	.604	-.186	.320
	31-40	.0119	.0901	.895	-.166	.190
	41-50	-.1844	.1024	.074	-.387	.018
	>50	.1244	.1046	.236	-.082	.331
31-40	<20	.0548	.1278	.669	-.198	.307
	20-30	-.0119	.0901	.895	-.190	.166
	41-50	-.1963	.1019	.056	-.398	.005
	>50	.1126	.1042	.282	-.093	.318
41-50	<20	.2510	.1367	.068	-.019	.521
	20-30	.1844	.1024	.074	-.018	.387
	31-40	.1963	.1019	.056	-.005	.398
	>50	**.3088***	**.1150**	**.008**	**.082**	**.536**
>50	<20	-.0578	.1384	.677	-.331	.216
	20-30	-.1244	.1046	.236	-.331	.082
	31-40	-.1126	.1042	.282	-.318	.093
	41-50	**-.3088***	**.1150**	**.008**	**-.536**	**-.082**

*. The mean difference is significant at the 0.05 level.

In fact, table 4.4 shows the area to which the observed difference is significant. The values in bold face signify those mean differences that are significant at 5%. As the results show, respondents ages 41-50 tend to have significantly higher willingness to stay than those who are above 50. Interestingly, the same tables only show a negative mean difference for younger cohort that older cohort. As the age group progresses the negative mean difference tend to lessen until it reaches to significant difference in the mentioned significant group. Thus the result show that age tend to be a significant predictor of willingness to stay, however, the effect is not linear with the significant observation happens only at the age nearing 60 or pre-retirement.

Through research we have discovered that age plays a significant part in an employees' decision to stay or leave an organization (Rosen et al., 2011). Specifically, research has shown that older employees (More than 45 years old) are more likely to remain within an organization than the younger employees. (Less than 45 years old) (Anderson & Hill, 2010). Younger workers were discovered to have left more frequently than the older ones. (Apostolidis & Polifroni, 2006).

Table 4.5
Analysis of Variance in terms of Education

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.697	4	.674	3.810	.006**
Within Groups	27.787	157	.177		
Total	30.485	161			

**Significant at 0.01 level

Table 4.5 shows the Analysis of Variance in terms of Education to assess if education is a significant predictor of an individual's willingness to stay. As what can be seen from the table, the computed p value is significant at 0.01 ($F = 3.810$, $p = 0.006$). Thus, there is enough evidence to claim that educational levels tend to significantly predict the respondent's propensity to stay.

Table 4.6

Post Hoc Test - Least Significant Difference

(I) Education	(J) Education	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval Lower Bound	Upper Bound
BSc	Diploma	.0677	.1117	.546	-.153	.288
	MSc	-.0222	.1017	.827	-.223	.179
	Others	.0558	.0828	.502	-.108	.219
	Phd	-.4573*	.1319	.001	-.718	-.197
Diploma	BSc	-.0677	.1117	.546	-.288	.153
	MSc	-.0899	.1324	.498	-.351	.172
	Others	-.0119	.1185	.920	-.246	.222
	Phd	-.5250*	.1568	.001	-.835	-.215
MSc	BSc	.0222	.1017	.827	-.179	.223
	Diploma	.0899	.1324	.498	-.172	.351
	Others	.0780	.1091	.476	-.138	.294
	Phd	-.4351*	.1498	.004	-.731	-.139
Others	BSc	-.0558	.0828	.502	-.219	.108
	Diploma	.0119	.1185	.920	-.222	.246
	MSc	-.0780	.1091	.476	-.294	.138
	Phd	-.5131*	.1377	.000	-.785	-.241
Phd	BSc	.4573*	.1319	.001	.197	.718
	Diploma	.5250*	.1568	.001	.215	.835
	MSc	.4351*	.1498	.004	.139	.731
	Others	.5131*	.1377	.000	.241	.785

. The mean difference is significant at the 0.05 level.

Looking at significant differences, people with higher education tend to have higher propensity to stay than those who have lower education such as diploma and BSC. This would mean that as people get educated they tend to stay more and their willingness to continue their service to the organization becomes significantly higher.

In a study of US nurses, a correlation between education status and an employee's intention to stay was found. In short, the more educated an employee was, the more likely they were to leave (Kash, Naufal, Cortes & Johnson, 2010). This may be because they have more options available to them because of their education statu.

Table 4.7

Analysis of Variance in terms of Years of Service

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3.006	2	1.503	8.698	.000**
Within Groups	27.479	159	.173		
Total	30.485	161			

**Significant at 0.01 level*

Table 4.7 shows the analysis of variance of propensity to stay considering the respondents years of service. As what can be gleaned from the table, the computed F value of 8.698 is significant at 0.01. Therefore, years of service are a significant predictor of employee's propensity to stay. The null hypothesis of no significant difference is therefore rejected.

Table 4.8

Post Hoc Test - Least Significant Difference

(I) Years of Service	(J) Years of Service	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
<1	1-5	-.3061*	0775	.000	-.459	-.153
	>10	-.2111*	.0859	.015	-.381	-.041
1-5	<1	.3061*	.0775	.000	.153	.459
	>10	.0951	.0971	.329	-.097	.287
>10	<1	.2111*	.0859	.015	.041	.381
	1-5	.0951	.0971	.329	-.287	.097

*. The mean difference is significant at the 0.05 level.

Table 4.8 supports the significant differences observed in the previous table. In fact, the table shows that employees who stay longer tend to have higher propensity to stay. In fact, the differences are significant pair-wise at all clusters.

Table 4.8
Independent Sample T-Test for Gender

Propensity to Stay	Levene's Test for Equality of Variances			t-test for Equality of Means					
		Sig.	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
							Lower	Upper
Equal variances assumed	.262	263	.272	60	786	-.0187	.0687	-.1544	.1170
Equal variances not assumed			.273	59.248	785	-.0187	.0685	-.1539	.1166

For gender and marital status, T–test will be used considering their dichotomous grouping. In terms of gender, the computed T value, both variances assumed or not shows a p value greater than 0.10. Thus, there is no evidence to reject the null hypothesis. Gender does not significantly predict the employees' propensity to stay.

Studies done on the propensity to stay when it comes to gender involve a lot of mixed opinions. There are arguments for male employees being more committed to an organization due to them have better jobs/positions in the company than the female employees. In another argument it is said that the women are less committed due to being more family focused and prioritizing their roles as a wife/mother etc over their role in an organization (Aven et al., 1993).

Table 4.9
Independent Sample T-Test for Marital Status

Propensity to Stay	Levene's Test for Equality of Variances			t-test for Equality of Means				
		Sig.	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	

								Lower	Upper
Equal variances assumed	.022	157	1.311	60	.192	-.0929	.0709	-.2329	.0471
Equal variances not assumed			1.380	39.83 7	.170	-.0929	.0674	-.2261	.0403

In the same line, Table 4.9 also shows no significant difference in the level of propensity to stay considering Marital Status. Thus, the null hypothesis is accepted, marital status does not significantly predict employees' propensity to stay.

According to Cotton and Tuttle (1986) spouses play a significant role in influencing an employees'

intention to stay or leave an organization. Seeing as things like retirement, relocating and financial decisions are very often choices that are made together in marriages (Johnson & Favreault, 2001).In summary, the regression analysis yielded the following hypothesis test results;

Table 4.9
Summary of Hypothesis Test Results

Hypothesis	Decision
Ho$_1$: Age does not significantly predict employees' propensity to stay	Reject
Ho$_2$: Gender does not significantly predict employees' propensity to stay	Reject
Ho$_3$: Marital Status does not significantly predict employees' propensity to stay	Reject
Ho$_4$: Qualification does not significantly predict employees' propensity to stay	Reject
Ho$_5$: Income does not significantly predict employees' propensity to stay	Accept
Ho$_6$: Years of Service does not significantly predict employees' propensity to stay	Accept

The results of the hypothesis test show that overall, socio-demographic profiles do affect an employees propensity to stay in RoseMarry Contracting Company. Specifically sociodemographic profiles such as age, years of service and education are the biggest factors found in propensity to stay within RoseMarry Contracting Company

Regarding age, the results of the study support that of Kotze &Roodt, 2005 where their study found that the older employees had higher organizational commitment and were more likely to stay - the same is true in RoseMarry Contracting Company although the most significant observations in propensity to stay in terms of age was found in ages 41-50 when compared to those nearing 60. The age group of 41-50 had high propensity to stay whereas those above 50 had significantly less.

Continuing on, employee years of service in RoseMarry Contracting Company is the next most impactful sociodemographic profile. The longer the employee has been with the company the more likely they were to stay in there. Similar results were found by Gregersen and Black (1992) stating that employees who had a long history with an organization would be more likely to stay than newer and also younger employees. Which again is supported by the findings in RoseMarry Contracting Company as the older employees have a higher

propensity to stay as well as those with long years of service.

In many studies there have been mixed results in terms of whether education level affects propensity to stay. A study by Boxall et al. (2003) looked into a sample of workers from New Zealand and found little to no difference in the employees intentions to stay or leave based on their education levels. Where as a study by Kash, Naufal et al. in 2010 found that employees with higher education were more likely to leave. However; those with higher educational qualifications (MSC, PHD) in RoseMarry Contracting Company were found to have a higher propensity to stay, enough evidence was found in this study to support that education level does affect propensity to stay, in this case - the higher education level, the more likely they are to stay.

Furthermore, the least impactful sociodemographic profiles include marital status, gender and income. In other studies marital status had mixed results and in this case did not play a major role in propensity to stay within RoseMarry Contracting Company. The same goes for gender, the study included both male and female but the propensity to stay for both genders was found to be too similar to state that gender had any impact on whether employees stay or leave. According to Royalty (1998)

gender and income played large roles in their study in whether employee's stayed or left. In their study there was a perceived unfairness in the wage gap between men and women, thus gender and income were said to have a large effect on propensity to stay. This is not the case in RoseMarry Contracting company as income was proven to have little or no effect on employee propensity to stay.

V. CONCLUSION

With the major findings at hand, the researcher derived two major conclusions. One, age, gender marital status, and qualification significantly predict employees' propensity to stay. This study supports the findings of, among others, Toker (2007) stating that employees who had higher education, had greater job satisfaction. There have been different studies, one in particular highlighted individuals with education in tourism, this specific study came to the conclusion that those who had education in this field did not actually want future careers because of variables such as - working hours, lower wages, and the viewpoint society had on it - as you can imagine, the turnover was discovered to be quite high in this area.

Secondly, number of years in service and income does not significantly predict employees' propensity to stay. The study asserts that the income generated by the employees do not hold them to stay in the organization so as their length of stay in the company. This disproves the findings of Rosen (2011) who considered length of stay and income as a valuable antecedent of an employee's tendency to remain in an organization.

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